
October 9, 2018

Via Email: jcheskis@pa.gov

The Honorable Joel H. Cheskis
Deputy Chief Administrative Law Judge
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: In re: Application of SUEZ Water Pennsylvania Inc. under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, of substantially all of the Township of Mahoning's assets, properties and rights related to its water distribution system to SUEZ Water Pennsylvania Inc., and (2) the rights of SUEZ Water Pennsylvania Inc. to begin to offer or furnish water distribution service to the public in portions of the Townships of Mahoning, Cooper and Valley, Montour County, Pennsylvania; Docket No. A-2018-3003519

In re: Application of SUEZ Water Pennsylvania Inc. under Section 1102(a) of the Pennsylvania Public Utility Code, 66 Pa C.S. § 1102(a), for approval of (1) the transfer, by sale, of substantially all of the Township of Mahoning's assets, properties and rights related to its wastewater collection and conveyance system to SUEZ Water Pennsylvania Inc., and (2) the rights of SUEZ Water Pennsylvania Inc. to begin to offer or furnish wastewater collection and conveyance service to the public in portions of the Townships; Docket No. A-2018-3003517

Dear Honorable Cheskis:

Please allow this letter to serve letter to serve as the Township of Mahoning's (the "Township") notice of its intended oral rejoinder testimony at the hearing scheduled in the above-referenced matter. The following is an outline of the topics that each of the Township's witnesses would likely address during their testimony. The potential witnesses and topics are as follows:

1. Dylan D'Ascendis, CV, CRRA

Mr. D'Ascendis is the Utility Valuation Expert retained by the Township in regard to the above-referenced proceedings. Mr. D'Ascendis would provide testimony to support his methodology for the evaluation of each of the systems included in each of the above-referenced cases. Mr. D'Ascendis's testimony would also address the following specific items related to valuation:

- a. The applicability of using market transactions in the market approach.
- b. The applicability of his terminal value calculation.

2. James T.S. Scott, Supervisor

Mr. Scott is an elected Supervisor of the Township. Mr. Scott serves as the Vice Chairperson for the Board of Supervisors and has been designated as the lead person on behalf of the Township. Mr. Scott's testimony would include the following topics:

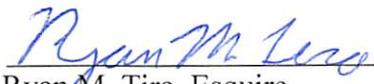
- a. The Township's commitment to obtain all undedicated assets identified in the Asset Purchase Agreement prior to the closing of the transaction.
- b. The Township's willingness to accept a condition upon the PUC approval that the closing of the transaction cannot occur until all of the identified undedicated assets are obtained by the Township and can be transferred to SUEZ.
- c. The status and progress that has been made in the obtainment of the undedicated assets identified in the Asset Purchase Agreement.
- d. The Township's position on SUEZ's commitment to maintain current water and wastewater rates for customers within the Township.
- e. The Township's position on SUEZ's proposed tariffs for water and wastewater, specifically addressing that the proposed tariffs do reflect, as closely as possible, the continuation of the current rates to the customers post-closing.

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The Township reserves the right to expand the scope of any witness's testimony based upon the testimony presented by another party.

Respectfully submitted,

McNERNEY, PAGE, VANDERLIN & HALL

BY: 
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